

MONTANA LEGISLATIVE HISTORY

Chapter 472 ~~19~~ 2001

Bill H _____ S 281 Original bill & history ____c

H. Committee on taxation

Hearing Date(s) 3/22 ____c

4/04 ____c

____c

____c

Date Out ____c

S. Committee on taxation

Hearing Date(s) 2/02 ____c

2/06 ____c

____c

____c

Did this bill originate in an interim committee? ____Yes ____No

Committee _____

Report _____

Note

Minutes Senate 2/02 have a typo
on page 1. SB 280 ought to read
"281".

Montana
Legislative
Branch

Montana Legislature

Detailed Bill Information



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Bill Draft Number: LC0830

[Current Bill Text](#)

Bill Type - Number: SB 281

[Fiscal Note](#)

Short Title: Notify owner of tax payment by other entity or tax sale action

Primary Sponsor: Dale Mahlum

Bill Actions - Current Bill Progress: Became Law

Bill Action Count: 65

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Action - Most Recent First	Date	Votes Yes	Votes No	Committee
Chapter Number Assigned	04/30/2001			
(S) Signed by Governor	04/30/2001			
(S) Transmitted to Governor	04/20/2001			
(H) Signed by Speaker	04/17/2001			
(S) Signed by President	04/17/2001			
(C) Sent to Printing	04/17/2001			
(S) Returned from Enrolling	04/16/2001			
(S) Sent to Enrolling	04/13/2001			
(S) 3rd Reading Passed as Amended by House	04/13/2001	49	0	
(S) Scheduled for 3rd Reading	04/13/2001			
(S) 2nd Reading House Amendments Concurred on Voice Vote	04/12/2001	49	0	
(S) Scheduled for 2nd Reading	04/12/2001			
(H) Returned to Senate with Amendments	04/11/2001			
(H) 3rd Reading Concurred	04/11/2001	100	0	
(H) Scheduled for 3rd Reading	04/11/2001			
(C) Sent to Printing	04/10/2001			
(H) 2nd Reading Concurred as Amended	04/09/2001	98	2	
(H) 2nd Reading Motion to Amend Carried	04/09/2001	78	21	

(H) Scheduled for 2nd Reading	04/09/2001			
(C) Sent to Printing	04/04/2001			
(H) Committee Report--Bill Concurred as Amended	04/04/2001			(H) Taxation
(H) Committee Executive Action--Bill Concurred as Amended	04/04/2001	19	1	(H) Taxation
(H) Hearing	03/22/2001			(H) Taxation
(H) Referred to Committee	03/01/2001			(H) Taxation
(H) First Reading	03/01/2001			
(S) Transmitted to House	02/08/2001			
(S) 3rd Reading Passed	02/08/2001	50	0	
(S) Scheduled for 3rd Reading	02/08/2001			
(S) 2nd Reading Passed on Voice Vote	02/07/2001	50	0	
(S) Scheduled for 2nd Reading	02/07/2001			
(C) Sent to Printing	02/06/2001			
(S) Committee Report--Bill Passed as Amended	02/06/2001			(S) Taxation
(S) Committee Executive Action--Bill Passed as Amended	02/06/2001	9	0	(S) Taxation
(S) Hearing	02/02/2001			(S) Taxation
(S) Fiscal Note Printed	01/25/2001			
(S) Fiscal Note Signed	01/24/2001			
(S) Fiscal Note Received	01/24/2001			
(S) Fiscal Note Requested	01/19/2001			
(C) Introduced Bill Text Available Electronically	01/18/2001			
(S) Referred to Committee	01/18/2001			(S) Taxation
(S) First Reading	01/18/2001			
(S) Introduced	01/18/2001			
(C) Draft Delivered to Requester	01/16/2001			
(C) Draft Ready for Delivery	01/15/2001			
(C) Draft in Assembly/Executive Director Review	01/15/2001			
(C) Draft in Final Drafter Review	01/12/2001			
(C) Draft in Input/Proofing	01/12/2001			
(C) Draft to Drafter - Edit Review [CMD]	01/12/2001			
(C) Draft in Edit	01/11/2001			
(C) Draft in Legal Review	01/11/2001			
(C) Draft Back for Redo	01/10/2001			
(C) Draft Taken by Drafter	01/10/2001			

(C) Draft Ready for Delivery	01/08/2001			
(C) Draft in Assembly/Executive Director Review	01/05/2001			
(C) Draft in Final Drafter Review	01/05/2001			
(C) Draft in Input/Proofing	01/05/2001			
(C) Draft in Assembly/Executive Director Review	01/04/2001			
(C) Draft in Final Drafter Review	01/04/2001			
(C) Bill Draft Text Available Electronically	01/04/2001			
(C) Draft in Input/Proofing	01/04/2001			
(C) Draft to Drafter - Edit Review [CMD]	01/03/2001			
(C) Draft in Edit	01/03/2001			
(C) Draft in Legal Review	01/03/2001			
(C) Draft to Requester for Review	01/03/2001			
(C) Draft Request Received	12/01/2000			

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Sponsor, etc.

Sponsor, etc.	Last Name/Organization	First Name	Mi
Requester	Mahlum	Dale	
Drafter	Heiman	Lee	
Primary Sponsor	Mahlum	Dale	

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Subjects

Description	Revenue/Approp.	Vote Majority Req.	Subject Code
Taxation--Property		Simple	TXPR

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Additional Bill Information

Probable Fiscal Note: Yes

Preintroduction Required: N**Session Law Ch. Number:** 472***DEADLINE*****Category:** Revenue Bills**Transmittal Date:** 03/29/2001**Return (with 2nd house amendments) Date:** 04/11/2001[| Top](#) | [Actions](#) | [Sponsor, etc.](#) | [Subjects](#) | [Add'l Bill Info](#) | [Eff. Dates](#) | [New Search](#) |

Section Effective Dates

Section(s)	Effective Date	Date Qualified
All Sections	01-OCT-01	

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Senate BILL NO. 281

INTRODUCED BY

Primary Sponsor)

DALE MAHLUM
Verdell Jackson

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING LAWS GOVERNING PROPERTY TAX PAYMENT; PROVIDING THAT A PERSON TO WHOM PROPERTY TAXES ARE ASSESSED WILL RECEIVE NOTICE IF THE PROPERTY IS SUBJECT TO A TAX SALE; PROVIDING THAT A PERSON TO WHOM PROPERTY TAXES ARE ASSESSED WILL RECEIVE NOTICE THAT PROPERTY TAXES HAVE BEEN PAID ON THE PROPERTY REGARDLESS OF WHO PAID THE TAXES; REQUIRING THAT THE LIST OF DELINQUENT PROPERTY SUBJECT TO TAX SALE BE PUBLISHED; PROVIDING THAT A PERSON TO WHOM PROPERTY TAXES ARE ASSESSED WILL RECEIVE A COPY OF A TAX SALE CERTIFICATE OR ASSIGNMENT CERTIFICATE IF ONE IS ISSUED ON THE PROPERTY; PROVIDING THAT THE NOTICE IS TO BE MAILED TO THE ADDRESS OF RECORD OF THE PERSON TO WHOM PROPERTY TAXES ARE ASSESSED; REQUIRING PROOF OF CERTIFIED MAIL NOTICE TO THE ASSESSED OWNER BEFORE ISSUANCE OF A TAX SALE CERTIFICATE OR ASSIGNMENT OF RIGHTS; AND AMENDING SECTIONS 15-16-101, 15-16-104, 15-17-122, 15-17-212, AND 15-17-323, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 15-16-101, MCA, is amended to read:

"15-16-101. Treasurer to publish notice -- manner of publication. (1) Within 10 days after the receipt of the property tax record, the county treasurer shall publish a notice specifying:

(a) that one-half of all taxes levied and assessed will be due and payable before 5 p.m. on the next November 30 or within 30 days after the notice is postmarked and that unless paid prior to that time the amount then due will be delinquent and will draw interest at the rate of 5/6 of 1% per month from the time of delinquency until paid and 2% will be added to the delinquent taxes as a penalty;

(b) that one-half of all taxes levied and assessed will be due and payable on or before 5 p.m. on the next May 31 and that unless paid prior to that time the taxes will be delinquent and will draw interest at the rate of 5/6 of 1% per month from the time of delinquency until paid and 2% will be added to the delinquent taxes as a penalty; and

(c) the time and place at which payment of taxes may be made.

(2) (a) The county treasurer shall send to the last-known address of each taxpayer a written notice, postage prepaid, showing the amount of taxes and assessments due for the current year and the amount due and delinquent for other years. The written notice must include:

- ~~(a)~~(i) the taxable value of the property;
- ~~(b)~~(ii) the total mill levy applied to that taxable value;
- ~~(c)~~(iii) the value of each mill in that county;
- ~~(d)~~(iv) itemized city services and special improvement district assessments collected by the county;
- ~~(e)~~(v) the number of the school district in which the property is located; and
- ~~(f)~~(vi) the amount of the total tax due that is levied as city tax, county tax, state tax, school district tax, and other tax.

(b) If the property is the subject of a tax sale for which a tax sale certificate has been issued under 15-17-212, the notice must also include, in a manner calculated to draw attention, a statement that the property is the subject of a tax sale and that the taxpayer may contact the county treasurer for complete information.

(3) The municipality shall, upon request of the county treasurer, provide the information to be included under subsection ~~(2)(d)~~ (2)(a)(iv) ready for mailing.

(4) The notice in every case must be published once a week for 2 weeks in a weekly or daily newspaper published in the county, if there is one, or if there is not, then by posting it in three public places. Failure to publish or post notices does not relieve the taxpayer from any tax liability. Any failure to give notice of the tax due for the current year or of delinquent tax will not affect the legality of the tax.

(5) If the department revises an assessment that results in an additional tax of \$5 or less, an additional tax is not owed and a new tax bill does not need to be prepared."

Section 2. Section 15-16-104, MCA, is amended to read:

"15-16-104. Entry of payment -- receipt. (1) The county treasurer shall note the date and the amount of the payment of any tax in the property tax record opposite the name of the person paying.

(2) (a) Except as provided in subsection (2)(b), the county treasurer shall give a receipt to the person paying any tax, specifying the amount of the assessment and the tax paid, with a description of the property assessed.

(b) If the payment is received through the mail or by any electronic means, the county treasurer

1 shall issue a receipt only on request of the person paying the tax. If the county treasurer issues a
2 it must contain the information specified in subsection (2)(a).

3 (3) Within 10 days of the payment of property taxes on real property, the county treas
4 mail a notice of payment to the person to whom the property was assessed at the person's a
5 record. The notice must state that property taxes have been paid on the property and that if the
6 taxes were not paid by the person to whom the property was assessed or that person's a
7 payment may have been made in connection with a tax sale of the property. The notice must
8 that the person may contact the county treasurer for further information."

9
10 **Section 3.** Section 15-17-122, MCA, is amended to read:

11 **"15-17-122. Notice of pending tax sale.** (1) The county treasurer shall publish or pos
12 of pending tax sale. The notice must include:

13 (a) the specific time, date, and place an interest in the property on which the taxes are c
14 will be offered for sale;

15 (b) a statement that the delinquent taxes, including penalties, interest, and costs, are a
16 the property and that unless the delinquent taxes, penalties, interest, and costs are paid prior t
17 of the tax sale, the lien will be offered for sale at the time and place specified in subsection (1)

18 (2) The notice required in subsection (1) must also include ~~a statement that a list of eac~~
19 ~~on which the taxes are delinquent is on file in the office of the county treasurer and open to i~~
20 The list must include:

21 (a) the name and address of the person to whom the delinquent taxes are assessed;

22 (b) the amounts of the delinquent taxes, all accrued penalties, interest, and other cos

23 (c) a statement that penalties, interest, and costs will be added to delinquent taxes.

24 (3) The notice must be published once a week for 3 consecutive weeks in the
25 designated for county printing as provided in 7-5-2411. If ~~no~~ a newspaper is not published in t
26 the notice must be posted by the county treasurer in three public places. The notice must be fir
27 or posted on or before the last Monday in June.

28 (4) Except as provided in 15-17-211(2), the sale may not be held less than 21 days or
29 28 days from the date of first publication or first day the notice is posted.

30 (5) The sale must be held at the county courthouse.

1 (6) Property on which taxes are delinquent but for which proper notification was not made may
2 not be included in the current year's notice and sale. In the event of improper notification, the sale may
3 be held on all property properly noticed.

4 (7) The provisions of this section do not apply to property for which delinquent property taxes
5 have been suspended or canceled under the provisions of Title 15, chapter 24, part 17."

6

7 **Section 4.** Section 15-17-212, MCA, is amended to read:

8 **"15-17-212. Tax sale certificate.** (1) ~~Upon~~ After receiving proof of mail notice to the person to
9 whom the property was assessed as required by subsection (3), and upon receipt of all delinquent taxes,
10 penalties, interest, and costs, the county treasurer shall prepare a tax sale certificate that must contain:

11 (a) the date on which the property taxes became delinquent;

12 (b) the date on which a property tax lien was sold at a tax sale;

13 (c) the name and address of record of the person to whom the taxes were assessed;

14 (d) a description of the property on which the taxes were assessed;

15 (e) the name and mailing address of the purchaser;

16 (f) the amount paid to liquidate the delinquency, including a separate listing of the amount of the
17 delinquent taxes, penalties, interest, and costs;

18 (g) a statement that the certificate represents a lien on the property that may lead to the issuance
19 of a tax deed for the property;

20 (h) a statement specifying the date on which the purchaser will be entitled to a tax deed; and

21 (i) an identification number corresponding to the tax sale certificate number recorded by the
22 county treasurer as required in 15-17-213.

23 (2) The certificate must be signed by the county treasurer and delivered to the purchaser. A copy
24 of the certificate must be filed by the treasurer in the office of the county clerk. A copy of the certificate
25 must also be mailed to the person to whom the taxes were assessed, at the address of record, together
26 with a notice that the person may contact the county treasurer for further information on property tax
27 sales.

28 (3) Prior to paying delinquent taxes, penalties, interests, and costs received by the county
29 treasurer under subsection (1), a person shall send notice of the proposed payment, by certified mail, to
30 the person to whom the property was assessed. The notice must have been mailed at least 2 weeks prior

1 to the date of the payment. The person making the payment shall provide proof of the mailing."

2

3 **Section 5.** Section 15-17-323, MCA, is amended to read:

4 **"15-17-323. Assignment of rights -- form.** (1) A tax sale certificate or other official re
5 which the county is listed as the purchaser must be assigned by the county treasurer to any perso
6 after providing proof of mail notice to the person to whom the property was assessed as requ
7 subsection (5), pays to the county the amount of the delinquent taxes, including penalties, intere
8 costs, accruing from the date of delinquency.

9 (2) (a) The assignment made under subsection (1) must be in the form of an assignment cer
10 in substantially the following form:

11 I,, the treasurer of County, state of Montana, hereby certify that a tax sale
12 year 20..., in the county of, was held on (date), for the purpose of liquidating del
13 assessments, and I further certify that a property tax lien for delinquent taxes in the following p
14 (insert property description) was offered for sale and that there was no purchaser of the p
15 tax lien. Accordingly, the county was listed as the purchaser as required by 15-17-214, MCA. A
16 date of this certificate, the delinquency, including penalties, interest, and costs amounting to \$.....
17 not been liquidated by the person to whom the property was assessed, nor has the delinquen
18 otherwise redeemed.

19 Because there has been no liquidation of the delinquency or other redemption, I hereby a
20 rights, title, and interest of the county of, state of Montana, acquired in such property b
21 of the sale to (name and address of assignee) to proceed to obtain a tax deed to the pro
22 receive payment in case of redemption as provided by law.

23 Witness my hand and official seal of office this day of, 20...

24 County T

25

26 (b) A copy of an assignment certificate must be mailed to the person to whom the tax
27 assessed, at the address of record, together with a notice that the person may contact the
28 treasurer for further information on lien assignments and property tax sales.

29 (3) An assignment made by a purchaser other than the county, by an assignee of the cc
30 by a previous assignee may be made for any consideration whatsoever. An assignment so mad

1 and binding only upon filing with the county treasurer a statement that the purchaser's or other assignee's
2 interest in the property has been assigned. The statement must contain:

3 (a) the name and address of the new assignee;

4 (b) the name and address of the original purchaser of the tax sale certificate;

5 (c) the name and address of each previous assignee, if any;

6 (d) a description of the property upon which the property tax lien was issued, which ~~description~~
7 must contain the same information as contained in the tax sale certificate or assignment certificate, as
8 appropriate;

9 (e) the signature of the party, ~~be~~ whether it is the purchaser or the assignee, making the
10 assignment;

11 (f) the signature of the new assignee; and

12 (g) the date on which the statement was signed.

13 (4) If the certificate described in subsection (1) or the statement described in subsection (3) is lost
14 or destroyed, the county treasurer shall, upon adequate proof and signed affidavit by the assignee that loss
15 or destruction has occurred, issue a duplicate certificate to the assignee.

16 (5) Prior to making a payment under subsection (1), a person shall send notice of the proposed
17 payment, by certified mail, to the person to whom the property was assessed. The notice must have been
18 mailed at least 2 weeks prior to the date of the payment. The person making the payment shall provide
19 proof of the mailing.

20 ~~(5)(6)~~ The provisions of this section apply to any sale of land for which a treasurer's deed was
21 not issued on or before March 5, 1917, or for which a tax deed was not issued on or before April 23,
22 1987, and the holder of any certificate described in subsection (1) has the same rights, powers, and
23 privileges with regard to securing a deed as any purchaser of land at a tax sale may now have."

24 - END -

FISCAL NOTE

Bill #: SB281

Title: Notify owner of tax payment by other entity
or tax sale action

Primary

Sponsor: Dale Mahlum

Status: Introduced

Sponsor signature

Date

Chuck Swysgood, Budget Director

Date

Fiscal Summary

	<u>FY2002</u> <u>Difference</u>	<u>FY2003</u> <u>Difference</u>
Net Impact on General Fund Balance:	0	0

Yes No
x

Significant Local Gov. Impact

Yes No
x

Technical Concerns

x Included in the Executive Budget

x Significant Long-Term Impacts

x Dedicated Revenue Form Attached

x Family Impact Form Attached

Fiscal Analysis

ASSUMPTIONS:

1. No revenue or expenditure impact to the Department of Revenue (see Technical Notes)

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

In reading section 2, which amends 15-16-104, it appears subsection (3) would require the county treasurer to mail a notice to all persons who pay their property tax. If this were the intention of the proposal, it would require significant expenditures by the county treasurer with no reimbursement from the state. This is an unfunded mandate contrary to Section 1-2-114 of the MCA. (see technical note)

TECHNICAL NOTES:

1. It appears section 2 subsection (3) would require the county treasurer to mail a notice of payment to all persons who pay their property tax. The language in the proposal states " Within 10 days of the payment of property taxes on real property, the county treasurer shall mail a notice of payment to the person to the property was assessed at the person's address of record

MINUTES

MONTANA SENATE 57th LEGISLATURE - REGULAR SESSION COMMITTEE ON TAXATION

Call to Order: By **CHAIRMAN BOB DEPRATU**, on February 2, 2001 at 8:00 A.M., in Room 405 Capitol.

ROLL CALL

Members Present:

Sen. Bob DePratu, Chairman (R)
Sen. Alvin Ellis Jr., Vice Chairman (R)
Sen. John C. Bohlinger (R)
Sen. Mack Cole (R)
Sen. Pete Ekegren (R)
Sen. Jon Ellingson (D)
Sen. Dan Harrington (D)

Members Excused: Sen. Bill Glaser (R)
Sen. Emily Stonington (D)

Members Absent: None.

Staff Present: Lee Heiman, Legislative Branch
Deb Thompson, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing(s) & Date(s) Posted: Senate Bill 280, 1/22/2001;
Senate Bill 281, 1/22/2001
Executive Action: Senate Bill 280 Pass 7-0

HEARING ON SENATE BILL 280

Sponsor: SENATOR DALE MAHLUM, SD 35, Corvallis

Proponents: Peggy Trenk, Montana Association of Realtors; Mary Whittinghill, Montana Taxpayers Association;

Opponents: None

Opening Statement by Sponsor: SENATOR MAHLUM presented the bill. He described people who were taxed out of their homes and had been evicted. A New Jersey National Tax Asset Corporation had purchased the tax deed. The constituent he described was eighty years old and could not pay the large tax bill so kept setting it aside. An out of state company was able to buy the tax deed for \$3,800. SB 280 would make it harder for out of state companies to take property without notification to the property owner. SENATOR MAHLUM described an amendment to help the county treasurer offices so they would not have to copy the entire tax sale notice. He showed a three inch stack of paper.

Proponents' Testimony: Peggy Trenk, representing the Montana Association of Realtors, said the out of state companies pay for the tax deed quietly and then the homeowner is either forced out or must buy back their own home.

Mary Whittinghill, Montana Taxpayers Association, spoke in support of the bill. {Tape : 1; Side : A; Approx. Time Counter : 9.3 - 10.9}

Opponents' Testimony: None

Informational Testimony: Robert Throssell, Montana County Treasurers Association, spoke as an informational witness. He said the amendment was important to keep the burden off the county of having to copy such large documents as a notice. The bill does provide additional notification by those starting the tax deed process.

Questions from Committee Members and Responses: SENATOR ELLIS asked the sponsor about changing notification. SENATOR MAHLUM replied the county would continue notifying taxpayers but the person paying the taxes would be required to show proof that they were doing so. Mr. Throssell explained the tax sale process. The county considers it an investment and the person paying the taxes gets reimbursed plus ten percent interest on their money when the taxes are brought current. He noted that the property owner deserves to be protected and remedies are available throughout the process. The county is neutral as long as the taxes are paid. {Tape : 1; Side : A; Approx. Time Counter : 16 - 22}

SENATOR BOHLINGER noted that presently, an out of state company can stealthily procure title to a home. This bill would add the step of notification by that company to the property owner to help prevent eviction in this manner.

Closing by Sponsor: SENATOR MAHLUM closed. He pointed out the county had a lot of triggers and different time lines. This bill would put the onus on the third party. {Tape : 1; Side : B; Approx. Time Counter : 0 - 7.2}

HEARING ON SENATE BILL 280

Sponsor: SENATOR WALT MCNUTT, SD 50

Proponents: Bob Gilbert, Montana Aviation Trade Organization; Ron Mercer, Chairman Airport Board; SENATOR JOHN BOHLINGER; Bill Ferris, Three Forks, representing Gallatin County Airport Board; Mike Fergeson, Chairman, Board of Aeronautics; Linda Marshall, full time flight instructor; Jack Gillespie, Past President Montana Pilots Association; Roger Foster, Morrison and Maierle; Frank Bass, Lewistown, Montana Antique Airplane Association; John McKenna, Bozeman private pilot; Jim Monger, Monger and Associates and Bozeman aviation consultant and part owner of an airplane; Bob Lipskum, Glasgow and airplane owner; Tom Ebzery, attorney and Billings Airport Managers Association; John Rabenberg, Fort Peck Airport Board; Sam Taylor, Sleeping Giant Flying Group; Jim Steffeck, Helena pilot

Opponents: None

Opening Statement by Sponsor: SENATOR MCNUTT presented the bill. He said the bill was at the request of the aviation organizations. This is an aviation fuel tax of one cent that in the past has gone into a trust fund that has been used for loans and grants for rural airport improvement projects. It is money that is used to leverage federal dollars on a 90/10 match. Most of these counties and rural airports can't afford to do the upgrades that are required in these rural airports from local taxpayer dollars. This fund has worked well to help local communities. The bill would extend the one cent, as there was a provision in the original law when the fund got to one million dollars that could cease. The aviation organizations want this to extend into the future. General aviation is the group that pays this, not the air carriers. Air carriers get a refund on this tax.

Proponents' Testimony: Bob Gilbert, Montana Aviation Trade Organizations, spoke in favor of the bill. He pointed out the freight haulers, Federal Express and UPS, also benefit from this tax. Ambulance is very important to rural Montana. This money keeps airports up to federal government standards and is now allowed to use the money for not only construction and reconstruction but maintenance, seal chipping and fixing cracks

which will also benefit these small communities. It is a user fee paid willingly by the aviation community in the state. He submitted three letters from three groups, Exec Air, Lynch Flying Service and Benefits Health Care. **EXHIBIT(tas27a01)**
EXHIBIT(tas27a02) EXHIBIT(tas27a03)

Ron Mercer, Chairman of the Aeronautics Board, supported the bill. This user fee money has been made available to small airports for maintenance. It is a huge opportunity for them. Many of these small communities do not have the resources to help local airports so this grant money helps leverage the federal money to keep maintenance going and allow new construction. It is a great opportunity for economic development and preventive maintenance.

SENATOR JOHN BOHLINGER supported the bill. He told about his son Nick being an airline pilot and a former air ambulance pilot for Deaconess Medical Center. He described trips made to rural Montana to pick up crash victims, or ill people. He said without the support of this one cent fuel tax, that was willingly paid by the people who fly, without that support and without that federal match that is provided, air service and emergency evacuation service would not be available to rural Montana. **{Tape : 1; Side : B; Approx. Time Counter : 14.9 - 15.9}**

Bill Ferris, Three Forks, represents the Gallatin County Airport Board, spoke in favor of the bill. He discussed the Three Forks Airport project that was \$200,000 short. They went to the Montana Aeronautics Commission and obtained a ten thousand dollar grant, a ten thousand dollar loan, which qualified them for the 90/10 program. It enabled them to come up with the additional \$200 thousand dollars that made the project on the Three Forks Airport project possible. They strongly supported the legislation.

Mike Fergeson, Administrator of the Aeronautics Division, spoke in support of the bill. He said their Division administers the program and it is tremendously successful. The new federal bill that passed last March gives a greater demand for the grant money now that the small airports are eligible for maintenance projects for the first time.

Linda Marshall, a full time flight instructor, spoke in favor of the bill. Because of the large land areas, Montana airports play an important function in Montana. Airports need to be top rate and this one cent tax helps the grant program. This allows the smaller airports the funds to do this.

Jack Gillespie, Past President of the Montana Pilots Association, spoke in support of the bill. He stated that every pilot is happy to pay an extra one cent to keep the runways in good shape.

Roger Foster, from the engineering firm of Morrison and Maierle, said they worked with airport design throughout the state and had first hand knowledge of the benefits of these monies to help the airports. With the increased funding, almost doubled with the federal government, there is a like increase in the projects that are available for funding in Montana. There is no lack of need but there is a lack of available funds to increase the number of projects to be completed. To take advantage of federal monies it is important to have local monies to match. This gas tax allows the airports to have a revenue stream for the users of the airports that come on a transient basis. It is self funding and very beneficial.

Frank Bass, from Lewistown, representing the Montana Antique Airplane Association and AOM, strongly supported the bill. This grant money was needed to keep the airports open and in good repair for airplanes, ambulance, UPS and United Press.

John McKenna, from Bozeman, a private pilot and Chairman of the Airport Board in Bozeman, spoke in favor of the bill. He said many times the rural communities are left short. Bigger airports have a lot of sources for funding. This is a very positive bill. As a private pilot, it is easy to recognize the need at the rural airports.

Jim Monger, owner of Monger and Associates, an aviation consulting firm in Bozeman and part owner of two aircraft, testified in support of the bill. He served as Chief for the Aeronautics Division from 1950-1971 and was aware of the attributes of the fuel tax program and what it can do for Montana airports of all sizes. In the event this bill was not funded as a self-tax measure, the expenses would then go to the local taxpayers. The bill is not political. The gas tax is the blood of Montana airports. He urged the committee support the legislation.

Bob Lipscomb, from Glasgow and a private pilot and aircraft owner, said they paid the tax which is fair. It makes sense for Montana communities.

Tom Ebzery, an attorney from Billings and representing the Montana Airport Managers Association, supported the bill even though it was rural in nature, it was the right thing to do.

John Rabenberg, Fort Peck, and member of the Airport Board, supported the bill.

Sam Taylor, member of the Sleeping Giant Flying Club, said the group was happy to pay the one cent tax.

Jim Steffeck, a pilot from Helena, strongly supported the bill.

Opponents' Testimony: None

Questions from Committee Members and Responses: **SENATOR ELLIS** asked for clarification on the two cent tax. **Mike Fergeson**, Administrator described the fund. One cent goes to the Aeronautics Division and has since 1945 for operations. **{Tape : 2; Side : A; Approx. Time Counter : 0 - 3}** Now a new bill that passed Congress allows small airports to use federal money for maintenance. The larger airports cannot. He explained the other money that went into a trust fund and one into a grant account. The loan account sunset the first of January. They just want to reinstate that penny and put it into the grant account because there is such a demand for grant money.

SENATOR HARRINGTON asked about the carrier airlines and what part was rebated. **SENATOR MCNUTT** replied they were rebated the two cents.

Closing by Sponsor: **SENATOR MCNUTT** closed. He stated this was an excellent program to help rural communities. Some of the projects get very expensive to rehabilitate runways. This program with the maintenance ability, will alleviate this around the state and keep rural airports in good shape. He recommended the committee pass the bill.

EXECUTIVE ACTION ON SENATE BILL 280

SENATOR COLE MOVED DO PASS. The question was called. The motion **PASSED** unanimously, 7-0.

ADJOURNMENT

Adjournment: 9:07 A.M.

SEN. BOB DEPRATU, Chairman

DEB THOMPSON, Secretary

BD/DT

EXHIBIT (tas27aad)

DATE 2/2/01

SENATE COMMITTEE ON TAXATION

BILLS BEING HEARD TODAY: SB 280, SB 281

PLEASE PRINT

NAME	PHONE	REPRESENTING	BILL #	SUPPORT	OFFUSE
JACK GILLESPIE	549-4991	MONTANA Pilots	280	✓	
Rodger Foster	442-3050	Morrison-Maierle SLEEPING GEAR FLYING CLUB	280	✓	
Sam Taylor	458-5420	Private Pilot	280	✓	
Jim Monger	388-5420	Airp. CONSULTANT	280	✓	
Dexter Busby	961-4100	Mont Ho. Co.	280	✓	
Bob Gilbert	439-1939	MATA ARM-SEA ATA -	280	✓	
Peggy Trenw	443-4032	MT Assoc. of Realtors	281	✓	
Bill Furhust	285-3515	Helena County Airport	280	✓	
Tom Ebzery	441-7531	MT Airport Users Ass	280	✓	
Mary Whittinghill	442-2130	MT Taxpayers	281	✓	
Riley Johnson	443-3797	Air Transport Assn.	280	✓	
Ron Mercer	442-2821	MAD BOARD	280	✓	
Joc Roberts	442-8891	self - pilot	280	✓	

VISITOR REGISTER

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

DATE 2/2/01

SENATE COMMITTEE ON TAXATION

BILLS BEING HEARD TODAY: SB 281

PLEASE PRINT

NAME	PHONE	REPRESENTING	BILL #	SUPPORT	OPPOSE
ROBERT THROSSELL	442-0230	MT Assoc County Treas	281		Indifferent

VISITOR REGISTER

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

DATE

2/2/01

SENATE COMMITTEE ON

TAXATION

BILLS BEING HEARD TODAY:

SB 280, SB 281

PLEASE PRINT

NAME	PHONE	REPRESENTING	BILL #	SUPPORT	OFFICE
Bob Lipscomb	228-2067	MONTANA PILOTS ASSOC.	280	✓	
Sam Richardson	367-5545		280	✓	
MIKE FERGUSON	444-2506	MDT-AERONAUTICS	280	✓	
FRANK BASS	538-7616	MT ANTIGUE ASSC	280	✓	
John Rabenberg	525-3318	AERONAUTICS	280	✓	
Jeanie Bystrom	442-5229		280	✓	
Mike Rogan	443-2582		280	✓	
John Sample	443-7487	Assoc of MT Aerial Application	280	✓	
John McKenna	388-6300		280	✓	
TIM CONWAY	443 5451		280	✓	
Jim STEFFECK	442, 2558	SELF	280	✓	
Richard Boehm	587-3990	Gallatin Airport Authority	280	✓	
Linda Marshall	388-7668	99's	280	✓	

VISITOR REGISTER

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

MINUTES

MONTANA SENATE 57th LEGISLATURE - REGULAR SESSION COMMITTEE ON TAXATION

Call to Order: By **CHAIRMAN BOB DEPRATU**, on February 6, 2001 at 8:00 A.M., in Room 405 Capitol.

ROLL CALL

Members Present:

Sen. Bob DePratu, Chairman (R)
Sen. Alvin Ellis Jr., Vice Chairman (R)
Sen. John C. Bohlinger (R)
Sen. Mack Cole (R)
Sen. Pete Ekegren (R)
Sen. Jon Ellingson (D)
Sen. Bill Glaser (R)
Sen. Dan Harrington (D)
Sen. Emily Stonington (D)

Members Excused: None.

Members Absent: None.

Staff Present: Lee Heiman, Legislative Branch
Deb Thompson, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing(s) & Date(s) Posted: House Bill 37, 1/31/2001;
Senate Bill 258, 1/31/2001;
House Bill 192, 1/31/2001
Executive Action: House Bill 37 Pass 9-0; Senate
Bill 281 Pass 9-0; House Bill
23 Pass 9-0; Senate Bill 258
Hold 1 amendment passed;
Senate Bill 264 Hold 2
amendments passed

HEARING ON HOUSE BILL 37

Sponsor: REPRESENTATIVE JOHN WITT, HD 89, CHOTEAU

No further action was taken by the committee. {Tape : 2; Side :
B; Approx. Time Counter : 0}

EXECUTIVE ACTION ON SENATE BILL 281

CHAIRMAN DEPRATU noted this bill was for notification for those entities who were taking tax liens on individuals properties. He said **Lee Heiman** had prepared an amendment that was acceptable to **SENATOR MAHLUM**.

SENATOR GLASER MOVED THE AMENDMENT #28101. EXHIBIT(tas30a08) He pointed out the problem this would create for the counties to publish the whole list without this amendment. The question was called on the amendment. The motion was adopted unanimously.

Lee Heiman said there was one more amendment requested by the Montana Taxpayer Association that he had prepared, #28102. **EXHIBIT(tas30a09) EXHIBIT(tas30a10)** He explained it gave the Department of Revenue rule making authority to provide notice.

SENATOR GLASER MOVED THE AMENDMENT #28013 (combined version). The question was called. The motion was adopted unanimously.

SENATOR GLASER MOVED THE BILL AS AMENDED. CHAIRMAN DEPRATU pointed out this was one way to handle the elderly home owner to give them one more notice.

The question was called. The motion **PASSED** unanimously.

EXECUTIVE ACTION ON HOUSE BILL 37

SENATOR STONINGTON MOVED HB 37. The question was called. The motion **PASSED** unanimously.

SENATE TAXATION

DATE 2/6/01

EXHIBIT NO. 8

BILL NO. SB 281

Amendments to Senate Bill No. 281
1st Reading Copy

Requested by Senator Dale Mahlum

For the Senate Taxation Committee

Prepared by Lee Heiman
February 2, 2001 (10:30AM)

1. Title, line 6 through line 9.

Strike: "PROVIDING" on line 6 through "PUBLISHED;" on line 9

2. Title, line 15.

Strike: "15-16-104, 15-17-122,"

3. Page 2, line 24 through page 4, line 5.

Strike: sections 2 and 3 in their entirety

Renumber: subsequent sections

- END -

SENATE TAXATION

DATE 2/6/01

EXHIBIT NO. 89

BILL NO. SB281

Amendments to Senate Bill No. 281
1st Reading Copy

For the Senate Taxation Committee

Prepared by Lee Heiman
February 5, 2001 (2:04PM)

1. Page 4, line 30.

Following: "assessed."

Insert: "The form of the notice must be adopted by the department
by rule."

2. Page 6, line 17.

Following: "assessed."

Insert: "The form of the notice must be adopted by the department
by rule."

- END -

Amendments to Senate Bill No. 281
1st Reading Copy

Requested by Senator Dale Mahlum

For the Senate Taxation Committee

Prepared by Lee Heiman
February 6, 2001 (10:36AM)

1. Title, line 6 through line 9.

Strike: "PROVIDING" on line 6 through "PUBLISHED;" on line 9

2. Title, line 15.

Strike: "15-16-104, 15-17-122,"

3. Page 2, line 24 through page 4, line 5.

Strike: sections 2 and 3 in their entirety

Renumber: subsequent sections

4. Page 4, line 30.

Following: "assessed."

Insert: "The form of the notice must be adopted by the department
by rule."

5. Page 6, line 17.

Following: "assessed."

Insert: "The form of the notice must be adopted by the department
by rule."

- END -



SENATE STANDING COMMITTEE REPORT

February 6, 2001

Page 1 of 1

Mr. President:

We, your committee on Taxation report that Senate Bill 281 (first reading copy - white) do pass as amended.

Signed:


Senator Bob DePratu, Chair

And, that such amendments read:

1. Title, line 6 through line 9.

Strike: "PROVIDING" on line 6 through "PUBLISHED;" on line 9

2. Title, line 15.

Strike: "15-16-104, 15-17-122,"

3. Page 2, line 24 through page 4, line 5.

Strike: sections 2 and 3 in their entirety

Renumber: subsequent sections

4. Page 4, line 30.

Following: "assessed."

Insert: "The form of the notice must be adopted by the department by rule."

5. Page 6, line 17.

Following: "assessed."

Insert: "The form of the notice must be adopted by the department by rule."

- END -

Committee Vote:

Yes 9, No 0.

301110SC.srf

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 57th LEGISLATURE - REGULAR SESSION COMMITTEE ON TAXATION

Call to Order: By **CHAIRMAN BOB STORY**, on March 22, 2001 at 8:00 A.M., in Room 472 Capitol.

ROLL CALL

Members Present:

Rep. Bob Story, Chairman (R)
Rep. Ron Erickson, Vice Chairman (D)
Rep. Roger Somerville, Vice Chairman (R)
Rep. Joan Andersen (R)
Rep. Keith Bales (R)
Rep. Joe Balyeat (R)
Rep. Gary Branae (D)
Rep. Eileen Carney (D)
Rep. Larry Cyr (D)
Rep. Rick Dale (R)
Rep. Ronald Devlin (R)
Rep. John Esp (R)
Rep. Gary Forrester (D)
Rep. Daniel Fuchs (R)
Rep. Verdell Jackson (R)
Rep. Jesse Laslovich (D)
Rep. Trudi Schmidt (D)
Rep. Butch Waddill (R)
Rep. Karl Waitschies (R)
Rep. David Wanzenried (D)

Members Excused: None.

Members Absent: None.

Staff Present: Jeff Martin, Legislative Branch
Rhonda Van Meter, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing(s) & Date(s) Posted: SB 263, SB 281, SB 264,
3/20/2001

Executive Action: HB 534, HB 619, SB 264, SB 263

HEARING ON SB 281

Sponsor: **SEN. DALE MAHLUM, SD 35, MISSOULA**

Proponents: **Robert Throssell, MT. County Treasurers
 Association
 Peggy Trenk, MT. Association of Realtors**

Opponents: **None**

Opening Statement by Sponsor:

SEN. DALE MAHLUM, SD 35, MISSOULA, said this bill revises the laws governing property tax payment. He stated a person, who was an owner of property being tax, must receive a notice of tax sale. He explained a tax sale and how the bill was drafted to provide a safety net for the elderly and their children. He read a note from a child of an elderly person and the taxes involved. He emphasized the need to protect people's property from being taken over.

Proponents' Testimony:

Robert Throssell, MT. County Treasurers Association, supported this legislation and stated the need for this bill to assist people dealing with property taxes.

Peggy Trenk, MT. Association of Realtors, said it was not uncommon for people to be contacted by companies to receive an appraisal. She gave an example of an appraisal offered to an elderly person with many medical bills and taxes. She supported this bill and asked the committee to do the same.

REP. VERDELL JACKSON, HD 79, KALISPELL, mentioned an encounter he had, which dealt with the notice to people and an attorney involved.

Opponents' Testimony: None

Questions from Committee Members and Responses:

REP. JACKSON asked about the fiscal note and the technical note.
SEN. MAHLUM explained the original form of the bill.

REP. JACKSON referred to page two and asked if it could be a stamp on an existing form for a county commissioner to send out.
Robert Throssell said it would depend upon the counties computer

system and the smaller population counties would have to go to a stamp system.

REP. JACKSON referred to page four and asked about the person paying the delinquent taxes. **Robert Throssell** explained the person buying the tax certificate and the process involved.

REP. JACKSON asked if it was a single document with all the information listed. **Robert Throssell** believed it would be a separate document.

REP. JACKSON asked what would happen if the property owner could not be found. **Robert Throssell** said the system was set up to be able to contact the individual through a mailing notice.

{Tape 2; Side A}

REP. BALLYEAT read a letter from a constituent regarding a notice of tax due. He asked if this bill would allow the original owner ability to pay the taxes. **SEN. MAHLUM** answered yes, this bill would allow the owner to show proof of the property.

REP. BALLYEAT asked where in the bill was the opportunity to pay the taxes. **SEN. MAHLUM** explained the time frame and referred to the lines in the bill pertaining to the notice.

REP. BALLYEAT asked if the person sending the notice would have proof it was received. **SEN. MAHLUM** said the committee could decide on the changes needed to draft the bill to pertain to the notice.

CHAIRMAN STORY asked about the process. **Dolores Cooney, Department of Revenue**, explained the process of taxes and when due. She stated the step involved with this bill offering another notice to the owner of a tax sale.

CHAIRMAN STORY wondered about a notice and when it would be sent. **Dolores Cooney** said it would be at the time of the tax sale. **Robert Throssell** explained the notice and time frame involved to pay.

REP. BALLYEAT asked if there was evidence the property owner actually received a notice. **Robert Throssell** said there would have to be evidence through the certified mail process that a notice was mailed.

REP. BALLYEAT thought the bill should be amended to show the owner actually received a notice. **Robert Throssell** said it is the

responsibility of the tax payer and the laws could be amended, but it would take more than this bill for the process.

REP. Andersen asked about the proposed payment with people paying the taxes. **SEN. MAHLUM** answered yes, that is the process.

REP. Andersen asked if an explanation would be given within the letter to an elderly property owner. **SEN. MAHLUM** stated that was the intent of the bill to offer notice to owners.

CHAIRMAN STORY referred to page four and asked about receiving a tax certificate and how they would know it wasn't the same person. **Robert Throssell** said it may be a possibility, but it doesn't usually occur.

Closing by Sponsor:

SEN. DALE MAHLUM, SD 35, MISSOULA, felt this bill would offer homeowners of the property be subject to tax sales. He said this legislation was a relief tax.

HEARING ON SB 264

Sponsor: **SEN. MIGNON WATERMAN, SD 26, HELENA**

Proponents: **Dan Anderson, Administrator, Addiction & Mental Disorders, DPHHS**
Christie Blazer, MT. Addiction Service Providers
Bill Kennedy, Yellowstone County Commissioner

Opponents: **None**

Opening Statement by Sponsor:

SEN. MIGNON WATERMAN, SD 26, HELENA, said this bill dealt with issues of clarifying alcohol taxes. She explained the alcohol tax funds and how they would be used, allowing to increase funds for treatment. She stated it would allow for the matching of medicaid tax dollars increasing the funds.

Proponents' Testimony:

Dan Anderson, Administrator, Addiction & Mental Disorders, DPHHS, presented a testimony **EXHIBIT(tah65a05)**.

{Tape 2; Side B}

HOUSE OF REPRESENTATIVES
ROLL CALL

TAXATION COMMITTEE

DATE 3/22/01

<u>NAME</u>	<u>PRESENT</u>	<u>ABSENT</u>	<u>EXCUSED</u>
REP. ROGER SOMERVILLE, V.C.	✓		
REP. RON ERICKSON, V.C.	✓		
REP. JOAN ANDERSEN	✓		
REP. KEITH BALES	✓		
REP. JOE BALYEAT	✓		
REP. GARY BRANAE	✓		
REP. EILEEN CARNEY	✓		
REP. LARRY CYR	✓		
REP. RICK DALE	✓		
REP. RON DEVLIN	✓		
REP. JOHN ESP	✓		
REP. GARY FORRESTER	✓		
REP. DAN FUCHS			✓
REP. VERDELL JACKSON	✓		
REP. JESSE LASLOVICH	✓		
REP. TRUDI SCHMIDT	✓		
REP. BUTCH WADDILL	✓		
REP. KARL WAITSCHIES	✓		
REP. DAVE WANZERIED	✓		
REP. BOB STORY, CHAIR	✓		

MONTANA HOUSE OF REPRESENTATIVES
VISITORS REGISTER

DATE 3/22/01 Thurs.

BILL NO. SB281

SPONSOR(S) Mahlum

TYPE
PROPONENT (P) OPPONENT (O) INFORMATIONAL (I)

PLEASE PRINT

PLEASE CIRCLE	NAME	ADDRESS	REPRESENTING
① POI	Peggy Truett	Helena	MT. Assoc. of Realtors
① POI	Robert Throssell	Helena	MT. County Treasurers Assn.
POI			
POI			
POI			
POI			
POI			
POI			
POI			
POI			
POI			
POI			
POI			
POI			

Please leave prepared testimony with Secretary. Witness Statement forms are available if you care to submit written testimony

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 57th LEGISLATURE - REGULAR SESSION COMMITTEE ON TAXATION

Call to Order: By **CHAIRMAN BOB STORY**, on April 4, 2001 at 8:00 A.M., in Room 472 Capitol.

ROLL CALL

Members Present:

Rep. Bob Story, Chairman (R)
Rep. Ron Erickson, Vice Chairman (D)
Rep. Roger Somerville, Vice Chairman (R)
Rep. Joan Andersen (R)
Rep. Keith Bales (R)
Rep. Joe Balyeat (R)
Rep. Gary Branae (D)
Rep. Eileen Carney (D)
Rep. Larry Cyr (D)
Rep. Rick Dale (R)
Rep. Ronald Devlin (R)
Rep. John Esp (R)
Rep. Gary Forrester (D)
Rep. Daniel Fuchs (R)
Rep. Verdell Jackson (R)
Rep. Jesse Laslovich (D)
Rep. Trudi Schmidt (D)
Rep. Butch Waddill (R)
Rep. Karl Waitschies (R)
Rep. David Wanzenried (D)

Members Excused: None.

Members Absent: None.

Staff Present: Jeff Martin, Legislative Branch
Rhonda Van Meter, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing(s) & Date(s) Posted: SB 519, SB 501, SB 439
4/2/2001
Executive Action: SB 281, SB 303, SB 346

by residents and 60 to 65% by non-residents. He stated approximately 10 to 11% was business travel.

CHAIRMAN STORY referred to the fiscal note and asked if a larger percentage would grow due to the tax credit program. **Matthew Cohn** did not know where the 28% number came from.

Closing by Sponsor:

SEN. LORENTS GROSFIED, SD 13, BIG TIMBER, handed out information pertaining to revenue projection and assumption **EXHIBIT(tah76a09)**. He summarized the bill and expressed the tourism development on the economy. He offered explanation to the tax credit involved and how the income tax deduction would work. He mentioned the impacts with the tourism industry and felt the bill would benefit the state.

{Tape 4; Side A}

EXECUTIVE ACTION ON SB 281

Motion: **REP. BALLYEAT** moved SB 281 BE AMENDED. Amendments were handed out **EXHIBIT(tah76a10)**.

Discussion:

Jeff Martin, Legislative Staff, explained what the amendments would do.

REP. JOE BALLYEAT gave an example of a couple losing their property and the having proof of using certified mail.

REP. WAITSCHIES wondered about people with no forwarding address.

REP. BALLYEAT thought there should be a responsibility of the person moving. He said people should not be subjected to the action of a tax sale.

REP. WAITSCHIES felt with the provision in the bill there would be prevention of the tax sale unless delivered.

REP. JACKSON wondered about the process of notification. **Jeff Martin** explained the tax sale and the process of notification.

REP. SCHMIDT thought it dealt with the person purchasing the property.

REP. DEVLIN wondered if a person denied signing the certified mail would have property taken away. REP. BALLYEAT didn't believe it would have that effect.

Vote: Motion carried 16-4 with REP. DEVLIN, REP. WAITSCHIES, REP. JACKSON and REP. ERICKSON voting no.

Motion/Vote: REP. ERICKSON moved SB 281 BE CONCURRED IN AS AMENDED. Motion carried 19-1 with CHAIRMAN STORY voting no.

EXECUTIVE ACTION ON SB 303

Motion: REP. STORY moved SB 303 BE AMENDED. Amendments were handed out EXHIBIT(tah76a11).

Discussion:

Jeff Martin explained the amendments and clarifications towards the second page of the bill pertaining to property.

Vote: Motion carried unanimously.

Motion: REP. STORY moved SB 281 BE CONCURRED IN AS AMENDED.

Discussion:

REP. BALLYEAT offered a background relating to the open space bond.

REP. ERICKSON mentioned the land being protected through the open space bond. He addressed agriculture land being included with the bill.

CHAIRMAN STORY commented upon the constitutionality of the bill.

REP. ESP had concerns with the bill relating to no cost involved.

{Tape 4; Side B}

Vote: Motion carried 15-5 with REP. SOMERVILLE, REP. BALES, REP. ESP, REP. SCHMIDT and CHAIRMAN STORY voting no.

EXECUTIVE ACTION ON SB 346

Motion: REP. ESP moved SB 346 BE AMENDED. Amendments were handed out EXHIBIT(tah76a12).

HOUSE TAXATION

Date: 4/4/01

Exhibit #: 10

Amendments to Senate Bill No. 281
3rd Reading Copy

Requested by Representative Joe Balyeat

For the House Taxation Committee

Prepared by Jeff Martin
April 3, 2001 (7:28AM)

1. Title, page 1, line 13.

Following: "PROOF"

Insert: "OF DELIVERY"

2. Page 4, line 8.

Following: "proof"

Insert: "of delivery"

3. Page 5, line 2.

Strike: "of the mailing"

Insert: "that the certified mail was delivered to the person to
whom the property was assessed"

4. Page 5, line 7.

Following: "proof"

Insert: "of delivery"

5. Page 6, line 20.

Strike: "of the mailing"

Insert: "that the certified mail was delivered to the person to
whom the property was assessed"

- END -

HOUSE OF REPRESENTATIVES
ROLL CALL

TAXATION COMMITTEE

DATE 4/4/01

<u>NAME</u>	<u>PRESENT</u>	<u>ABSENT</u>	<u>EXCUSED</u>
REP. ROGER SOMERVILLE, V.C.			✓
REP. RON ERICKSON, V.C.	✓		
REP. JOAN ANDERSEN	✓		
REP. KEITH BALES	✓		
REP. JOE BALLYEAT	✓		✓
REP. GARY BRANAE	✓		
REP. EILEEN CARNEY	✓		
REP. LARRY CYR	✓		
REP. RICK DALE	✓		
REP. RON DEVLIN	✓		
REP. JOHN ESP	✓		
REP. GARY FORRESTER	✓		
REP. DAN FUCHS		✓	
REP. VERDELL JACKSON	✓		
REP. JESSE LASLOVICH			✓
REP. TRUDI SCHMIDT	✓		
REP. BUTCH WADDILL	✓		
REP. KARL WAITSCHIES	✓		
REP. DAVE WANZERIED			✓
REP. BOB STORY, CHAIR	✓		

House of Representatives

Roll Call Vote

HOUSE TAXATION COMMITTEEDATE 4/4/01BILL NO. SB 281MOTION: Do concur as amended, Rep. Erickson

Name	AYE	NO
Rep. Roger Somerville, Vice Chair Majority	✓	
Rep. Ron Erickson, Vice Chair Minority	✓	
Rep. Joan Andersen	✓	
Rep. Keith Bales	✓	
Rep. Joe Balyeat	✓	
Rep. Gary Branae	✓	
Rep. Eileen Carney	✓	
Rep. Larry Cyr	✓	
Rep. Rick Dale	✓	
Rep. Ron Devlin	✓	
Rep. John Esp	✓	
Rep. Gary Forrester	✓	
Rep. Dan Fuchs	✓	
Rep. Verdell Jackson	✓	
Rep. Jesse Laslovich	✓	
Rep. Trudi Schmidt	✓	
Rep. Butch Waddill	✓	
Rep. Karl Waitschies	✓	
Rep. Dave Wanzenried	✓	
Rep. Bob Story, Chair		✓



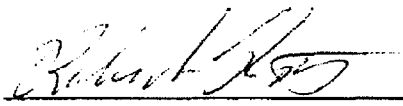
HOUSE STANDING COMMITTEE REPORT

April 4, 2001

Page 1 of 1

Mr. Speaker:

We, your committee on **Taxation** recommend that **Senate Bill 281** (third reading copy - blue) be concurred in as amended.

Signed: 
Representative Bob Story, Chair

To be carried by Representative Verdell Jackson

And, that such amendments read:

1. Title, page 1, line 13.

Following: "PROOF"

Insert: "OF DELIVERY"

2. Page 4, line 8.

Following: "proof"

Insert: "of delivery"

3. Page 5, line 2.

Strike: "of the mailing"

Insert: "that the certified mail was delivered to the person to whom the property was assessed"

4. Page 5, line 7.

Following: "proof"

Insert: "of delivery"

5. Page 6, line 20.

Strike: "of the mailing"

Insert: "that the certified mail was delivered to the person to whom the property was assessed"

- END -

Committee Vote:

Yes 19, No 1.

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*2:50
4-4*

COMMITTEE ABSENTEE BALLOT

Date: 4/4/01

I hereby authorize Rep. Erickson

to cast my vote(s) as follows:

SB 281 yes on amendment to the bill

SB 303 yes

SB 346 yes on amendment to the bill

Representative Steve Douch

COMMITTEE ABSENTEE BALLOT

Date: 4 April 2001

I hereby authorize Rep. Sims

to cast my vote(s) as follows: SB 281 - AMEND AYE
ON THE BILL - AYE

Representative Keith Beck

COMMITTEE ABSENTEE BALLOT

Date: 4-02-01

I hereby authorize Rep. Erickson

to cast my vote(s) as follows:

SB 281 yes on amendment & the bill

SB 303 yes

SB 346 yes on amendment & the bill

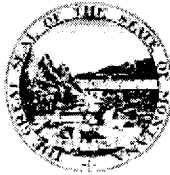
Representative Untchewas

2001 Montana Legislature

About Bill -- Links

SENATE BILL NO. 281

INTRODUCED BY D. MAHLUM, ADAMS, COCCHIARELLA, JACKSON, RASER



AN ACT REVISING LAWS GOVERNING PROPERTY TAX PAYMENT; PROVIDING THAT A PERSON TO WHOM PROPERTY TAXES ARE ASSESSED WILL RECEIVE NOTICE IF THE PROPERTY IS SUBJECT TO A TAX SALE; PROVIDING THAT A PERSON TO WHOM PROPERTY TAXES ARE ASSESSED WILL RECEIVE A COPY OF A TAX SALE CERTIFICATE OR ASSIGNMENT CERTIFICATE IF ONE IS ISSUED ON THE PROPERTY; PROVIDING THAT THE NOTICE IS TO BE MAILED TO THE ADDRESS OF RECORD OF THE PERSON TO WHOM PROPERTY TAXES ARE ASSESSED; REQUIRING PROOF OF CERTIFIED MAIL NOTICE TO THE ASSESSED OWNER BEFORE ISSUANCE OF A TAX SALE CERTIFICATE OR ASSIGNMENT OF RIGHTS; AND AMENDING SECTIONS 15-16-101, 15-17-212, AND 15-17-323, MCA.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 15-16-101, MCA, is amended to read:

"15-16-101. Treasurer to publish notice -- manner of publication. (1) Within 10 days after the receipt of the property tax record, the county treasurer shall publish a notice specifying:

(a) that one-half of all taxes levied and assessed will be due and payable before 5 p.m. on the next November 30 or within 30 days after the notice is postmarked and that unless paid prior to that time the amount then due will be delinquent and will draw interest at the rate of 5/6 of 1% per month from the time of delinquency until paid and 2% will be added to the delinquent taxes as a penalty;

(b) that one-half of all taxes levied and assessed will be due and payable on or before 5 p.m. on the next May 31 and that unless paid prior to that time the taxes will be delinquent and will draw interest at the rate of 5/6 of 1% per month from the time of delinquency until paid and 2% will be added to the delinquent taxes as a penalty; and

(c) the time and place at which payment of taxes may be made.

(2) (a) The county treasurer shall send to the last-known address of each taxpayer a written notice,

postage prepaid, showing the amount of taxes and assessments due for the current year and the amount due and delinquent for other years. The written notice must include:

- ~~(a)~~(i) the taxable value of the property;
- ~~(b)~~(ii) the total mill levy applied to that taxable value;
- ~~(c)~~(iii) the value of each mill in that county;
- ~~(d)~~(iv) itemized city services and special improvement district assessments collected by the county;
- ~~(e)~~(v) the number of the school district in which the property is located; and
- ~~(f)~~(vi) the amount of the total tax due that is levied as city tax, county tax, state tax, school district tax, and other tax.

(b) If the property is the subject of a tax sale for which a tax sale certificate has been issued under 15-17-212, the notice must also include, in a manner calculated to draw attention, a statement that the property is the subject of a tax sale and that the taxpayer may contact the county treasurer for complete information.

(3) The municipality shall, upon request of the county treasurer, provide the information to be included under subsection ~~(2)(d)~~ (2)(a)(iv) ready for mailing.

(4) The notice in every case must be published once a week for 2 weeks in a weekly or daily newspaper published in the county, if there is one, or if there is not, then by posting it in three public places. Failure to publish or post notices does not relieve the taxpayer from any tax liability. Any failure to give notice of the tax due for the current year or of delinquent tax will not affect the legality of the tax.

(5) If the department revises an assessment that results in an additional tax of \$5 or less, an additional tax is not owed and a new tax bill does not need to be prepared."

Section 2. Section 15-17-212, MCA, is amended to read:

"15-17-212. Tax sale certificate. (1) ~~Upon~~ After receiving proof of mail notice to the person to whom the property was assessed as required by subsection (3), and upon receipt of all delinquent taxes, penalties, interest, and costs, the county treasurer shall prepare a tax sale certificate that must contain:

- (a) the date on which the property taxes became delinquent;
- (b) the date on which a property tax lien was sold at a tax sale;
- (c) the name and address of record of the person to whom the taxes were assessed;
- (d) a description of the property on which the taxes were assessed;
- (e) the name and mailing address of the purchaser;

(f) the amount paid to liquidate the delinquency, including a separate listing of the amount of the delinquent taxes, penalties, interest, and costs;

(g) a statement that the certificate represents a lien on the property that may lead to the issuance of a tax deed for the property;

(h) a statement specifying the date on which the purchaser will be entitled to a tax deed; and

(i) an identification number corresponding to the tax sale certificate number recorded by the county treasurer as required in 15-17-213.

(2) The certificate must be signed by the county treasurer and delivered to the purchaser. A copy of the certificate must be filed by the treasurer in the office of the county clerk. A copy of the certificate must also be mailed to the person to whom the taxes were assessed, at the address of record, together with a notice that the person may contact the county treasurer for further information on property tax sales.

(3) Prior to paying delinquent taxes, penalties, interests, and costs received by the county treasurer under subsection (1), a person shall send notice of the proposed payment, by certified mail, to the person to whom the property was assessed. The form of the notice must be adopted by the department by rule. The notice must have been mailed at least 2 weeks prior to the date of the payment. The person making the payment shall provide proof of the mailing."

Section 3. Section 15-17-323, MCA, is amended to read:

"15-17-323. Assignment of rights -- form. (1) A tax sale certificate or other official record in which the county is listed as the purchaser must be assigned by the county treasurer to any person who, after providing proof of mail notice to the person to whom the property was assessed as required by subsection (5), pays to the county the amount of the delinquent taxes, including penalties, interest, and costs, accruing from the date of delinquency.

(2) (a) The assignment made under subsection (1) must be in the form of an assignment certificate in substantially the following form:

I,, the treasurer of County, state of Montana, hereby certify that a tax sale for tax year 20..., in the county of, was held on (date), for the purpose of liquidating delinquent assessments, and I further certify that a property tax lien for delinquent taxes in the following property (insert property description) was offered for sale and that there was no purchaser of the property tax lien. Accordingly, the county was listed as the purchaser as required by 15-17-214, MCA. As of the date of this certificate, the delinquency, including penalties, interest, and costs amounting to \$....., has not been liquidated by the person to whom the property was assessed, nor has the delinquency been otherwise redeemed.

Because there has been no liquidation of the delinquency or other redemption, I hereby assign all rights, title, and interest of the county of, state of Montana, acquired in such property by virtue of the sale to (name and address of assignee) to proceed to obtain a tax deed to the property or receive payment in case of redemption as provided by law.

Witness my hand and official seal of office this day of, 20...

..... County Treasurer

..... County

(b) A copy of an assignment certificate must be mailed to the person to whom the taxes were assessed, at the address of record, together with a notice that the person may contact the county treasurer for further information on lien assignments and property tax sales.

(3) An assignment made by a purchaser other than the county, by an assignee of the county, or by a previous assignee may be made for any consideration whatsoever. An assignment so made is legal and binding only upon filing with the county treasurer a statement that the purchaser's or other assignee's interest in the property has been assigned. The statement must contain:

(a) the name and address of the new assignee;

(b) the name and address of the original purchaser of the tax sale certificate;

(c) the name and address of each previous assignee, if any;

(d) a description of the property upon which the property tax lien was issued, which ~~description~~ must contain the same information as contained in the tax sale certificate or assignment certificate, as appropriate;

(e) the signature of the party, ~~be~~ whether it is the purchaser or the assignee, making the assignment;

(f) the signature of the new assignee; and

(g) the date on which the statement was signed.

(4) If the certificate described in subsection (1) or the statement described in subsection (3) is lost or destroyed, the county treasurer shall, upon adequate proof and signed affidavit by the assignee that loss or destruction has occurred, issue a duplicate certificate to the assignee.

(5) Prior to making a payment under subsection (1), a person shall send notice of the proposed payment, by certified mail, to the person to whom the property was assessed. The form of the notice must be adopted by the department by rule. The notice must have been mailed at least 2 weeks prior to the date of the payment. The person making the payment shall provide proof of the mailing.

~~(5)~~(6) The provisions of this section apply to any sale of land for which a treasurer's deed was not issued on or before March 5, 1917, or for which a tax deed was not issued on or before April 23, 1987, and the holder of any certificate described in subsection (1) has the same rights, powers, and privileges with regard to securing a deed as any purchaser of land at a tax sale may now have."

- END -

Latest Version of SB 281 (*SB0281.ENR*)
Processed for the Web on April 17, 2001 (9:02AM)

New language in a bill appears underlined, deleted material appears stricken.

Sponsor names are handwritten on introduced bills, hence do not appear on the bill until it is reprinted.
See the [status of this bill](#) for the bill's primary sponsor.

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Prepared by Montana Legislative Services

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